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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

THE TOY CHEST, LLC, a Nevada limited liability company; THE TOY CHEST, LLC a Nevada limited liability company,

Plaintiffs,

v.

MATTHEW BRENT GOETTSCHKE, an individual, JOBEDIAH SINCLAIR WEEKS, an individual, JOSEPH FRANK ABEL, an individual, SILVIU CATALIN BALACI, an individual, BITCLUB, an unknown entity, and DOE and ROE Corporations,

Defendants.

Case No: 2:20-cv-00994

**DECLARATION OF LORI DIAZ IN
SUPPORT OF APPLICATION FOR
DEFAULT JUDGMENT AGAINST
DEFENDANT JOSEPH FRANK ABEL**

I, Lori Diaz declare:

1. I am a manager of Plaintiff The Toy Chest, LLC ("The Toy Chest") and am authorized to make this Declaration on The Toy Chest's behalf.

2. During the spring of 2018, Defendants, including Joseph Frank Abel ("Abel") engaged in solicitation of The Toy Chest to participate in a Bitcoin ("BTC") by offering for sale shares of BTC mining business issued by Defendants, including Abel.

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3. To The Toy Chest's knowledge, Defendants, including Abel, engaged in these private and public solicitations through a website www.bitclub.com ("Bitclub") wherein the Defendants, including Abel, created and maintained a website for the Bitclub Offering, and through independent business operators within the Bitclub scheme through the means or instrumentalities of interstate commerce, including email and the internet.

4. In an effort to solicit The Toy Chest and to induce it into investing in the Bitclub Offering, Defendants, including Abel, made the following untrue statements of material fact to The Toy Chest (the "Bitclub Misrepresentation"):

- a. misleading figures regarding the amount of crypto currency mining operations in place;
- b. misleading figures regarding the amount of crypto currency being mined at Bitclub controlled mining operations;
- c. misleading figures and documentation regarding the amount of future profit to be derived from the Bitcoin mining operations;
- d. fraudulent statements from Defendants and Defendants' independent business operators within the multi-level marketing scheme regarding commissions to be paid for joining the Bitclub Scheme and recruiting others to join the Bitclub Scheme and invest in the Bitclub Offering;
- e. misleading statements regarding future operations and investments by the Bitclub management;
- f. untrue and misleading statements regarding access to funds invested in the Bitclub Offering through an internet based website.

5. In reasonable and justified reliance upon the Bitclub Misrepresentations and Bitclub Omissions made by Defendants, including Abel, The Toy Chest invested \$250,000.00 USD with Defendants for purchase of the Bitclub Offering.

6. Subsequent to their solicitation and sale of the Bitclub Offering to The Toy Chest, Defendants, including Abel, materially breached and defaulted on their obligations to The Toy Chest under the parties' contracts by, among other actions:

- a. failing and refusing to pay dividends, bonuses and other compensation due to the The Toy Chest as required by the investor contracts;
- b. repeatedly misrepresenting and concealing the true nature and status of the The Toy Chest's investments in Bitclub as well as the finances, operations and legal status of Bitclub; and

7. As a direct and proximate consequence of the Defendants' unlawful conduct as described herein, the The Toy Chest lost the \$250,000.00 USD investment.

I declare under penalty of perjury that the foregoing is true and correct.

DATED this 20th day of December, 2022.



The Toy Chest, LLC

By: Lori Diaz, its manager
